

Page 51

1 A He's my manager. He's the Director of Corporate Credit.  
 2 Q He was your boss at that time?  
 3 A That's right.  
 4 Q And who is Rich Cocos?  
 5 A Rich Cocos is the Dealer Transition -- was the Dealer  
 6 Transition Manager for that region at the time.  
 7 Q You were transitioning that dealership, or that region over  
 8 to Rich Cocos?  
 9 A No, that was just his title. It was pretty much the same as  
 10 the Dealer Alliance that I mentioned earlier. They changed  
 11 the title to that Dealer Transition Manager.  
 12 (Exhibit 15 marked for identification.)  
 13 Q I show you what's been marked as Deposition Exhibit Number  
 14 15. Can you identify that?  
 15 A Okay.  
 16 Q This is a letter from your boss, basically, on November 27,  
 17 2002 to Michael Harbin; is that correct?  
 18 A Yes.  
 19 Q And it appears that Steven Waugh had taken over the account,  
 20 or taken over, been involved more personally in this  
 21 particular account at that point; is that accurate?  
 22 A Well, he had gotten involved with the account, yes.  
 23 Q Because it was delinquent?  
 24 A Yes.  
 25 Q At what point, as a credit manager, do you start asking, or

Page 52

1 do you start asking the dealer for personal financial  
 2 statements?  
 3 A We would only ask for a personal financial statement if we  
 4 had a personal guaranty.  
 5 Q And I didn't see any correspondence from anybody in the file,  
 6 yourself, or Mr. Waugh, or anybody else, requesting from Mr.  
 7 Harbin a personal financial statement. Do you, as you sit  
 8 here, have any independent recollection of asking for one?  
 9 A No, I do not.  
 10 Q Would it be your place to ask for a personal guaranty, or not  
 11 personal guaranty, but personal financial statement, or would  
 12 it be somebody else's --  
 13 A That would be part of what I would do, yes.  
 14 (Exhibit 16 marked for identification.)  
 15 Q I show you what's been marked as Deposition Exhibit 16 and  
 16 ask if you can identify that for the record.  
 17 A Well, this is a security agreement log, log sheet that we  
 18 would place in the credit file just as a quick reference to  
 19 any documents that we had on the deal.  
 20 Q Is this a form that you use in every credit file?  
 21 A At that time we used them in any credit file we had security  
 22 type agreements or guaranties, or documents of that sort.  
 23 Q So correct me if I'm wrong, but you keep this at the front of  
 24 the credit file so you can go into the file quickly to  
 25 determine whether or not there are personal guaranties or

Page 53

1 security agreements; is that right?  
 2 A Yes, that's right.  
 3 Q At some point did you stop using this record?  
 4 A Yes.  
 5 Q When was that?  
 6 A I don't have a photographic memory. I can only think it  
 7 would have been somewhere between 2001 and 2002.  
 8 Q Did you keep them in the file?  
 9 A It was kept in a credit file, in the credit file, yes.  
 10 Q I mean, you stopped using the documents, or you stopped  
 11 adding it to the file, you didn't go through all the files  
 12 and purge them, I take it?  
 13 MR. MARCH: You're talking about Exhibit 16?  
 14 MR. SMITH: Right.  
 15 MR. MARCH: Or, more accurately, the form?  
 16 MR. SMITH: I'm talking about the form, actually.  
 17 THE WITNESS: This form?  
 18 BY MR. SMITH:  
 19 Q Yeah.  
 20 A Yeah, it wasn't a high priority thing for us to go through  
 21 the files and purge documents, or a log sheet, you know, that  
 22 was no longer effective, or whatever.  
 23 Q I'm just curious about this particular document that says at  
 24 the top, that security log as of June 17, 1993, and it refers  
 25 to a guaranty signed August 4, 1993 after the date of the

Page 54

1 log. Maybe that doesn't mean anything. I was just curious.  
 2 Do you have any explanation for that?  
 3 A Other than -- nothing other than the fact that this was  
 4 added, you know.  
 5 Q So it's something that you add to?  
 6 A Right.  
 7 Q Not pull it out and type it at some point, or back in '93 you  
 8 would have pulled it out typed it, new information?  
 9 A Right; correct.  
 10 Q Mr. James, I'm looking at the privilege log which was filled  
 11 out by your attorney, so you may not have any knowledge of  
 12 it, but I just want to go through some of these names and ask  
 13 if you can identify who they are; James O'Connor?  
 14 A James O'Connor. Jim O'Connor, he's on our legal staff.  
 15 Q Legal staff? Okay. Daniel Brondyk?  
 16 A He's on our legal staff.  
 17 Q Elizabeth Orelup?  
 18 A She's an outside attorney.  
 19 Q Patrick Schoen?  
 20 A He's an outside attorney.  
 21 Q Gary Malburg?  
 22 A He's our Vice President and Treasurer of Steelcase.  
 23 Q Is he on the Board of Directors; do you know?  
 24 A No.  
 25 Q Who is his boss?

